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GOVERNMENT GAZETTE

BOLETIM OFICIAL

SUPPLEMENT

(SUPLEMENTO)

GOVERNMENT OF GOA, DAMAN AND DIU

Industries and Power Department

Notification

I&L/1/7-A/65

In exercise of the powers conferred by sub-section (1) of Section 7 of the Goa, Daman and Diu State Aid to Industries Act, 1965 (No. 15 of 1965) the Administrator of Goa, Daman and Diu is pleased to make the following Rules, the same having been previously published as required by sub-section (3) of Section 7, of the said Act, namely: —

1. Short titles and commencement. — (1) These rules may be called the Goa, Daman and Diu State-aid to Industries Rules, 1968.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions. — In these rules unless the context otherwise requires.

(a) «Act» means 15 of 1965 the Goa, Daman and Diu State-aid to Industries Act, 1965;

(b) «Competent authority» means the Director, as defined in sub-rule (d) of this rule and including such other officer as may, by order, be empowered by the Government of the Union territory of Goa, Daman and Diu under section 3, to grant loans to small Scale and Cottage Industries;

(c) «Cottage industry» means an industry (the fixed capital of which does not exceed Rs. 25,000/- in value) which, whether or not using mechanical or electric power, is ordinarily carried on in the home of an artisan in the Union Territory, by the artisan and his dependents and occasionally with the aid of hired-labour in which case the number of persons including the artisan, his dependents and hired labour does not exceed nine;

(d) «Director» means the Director of Industries, Goa, Daman and Diu and includes any other officer empowered by the Government to perform the functions of the Director;

(e) «Form» means a form, and includes mortgage deed, appended to these rules;

(f) «Section» means a section of the Act;

(g) «Small Scale Industry» means an industrial business or enterprise defined, for the time being, as a small scale industry by the Central Government;

3. Purposes for which Loans may be granted. — Loans may be granted to any Small Scale or Cottage industry for one or more of the following purposes, that is to say,

(a) the purchase of land required for an industry;

(b) the construction of buildings or worksheds, godowns, warehouses, railway sidings, wells and other works necessary for the industry;

(c) the purchase of tools, equipment, appliances plant and machinery;

(d) the erection of plant and machinery;

(e) the purchase of raw materials or for other use as working capital otherwise than as cash credit;

(f) any other specific purposes depending upon the circumstances of each case, such as, for enabling the borrower to tide over initial production difficulties, for meeting initial losses for reasons beyond the control of the industry or for payment for services of a highly qualified technical consultant.

4. Officers competent to grant Loans and amount of Loan to be granted.—(1) Subject to the provisions of sub-rule (2) and those rules, the following officers are hereby empowered to grant loans not exceeding the amount specified against each of them, that is to say;

	Rs.
(a) B. D. O.	1,000
(b) Assistant Director of Industries Goa, Daman and Diu ...	2,000
(c) Director of Industries Goa, Daman and Diu	5,000
(d) To Secretary to Government Industries and Labour Department	1,00,000

Provided that, except with the previous approval of the Government of the Union territory, the amount of loan proposed to be granted to any person together with the amount of any loan or loans, if any, already granted to him in respect of the same industry shall not exceed the amount which the officer is empowered to grant as aforesaid.

(2) The competent authority shall before sanctioning any loan satisfy himself that the applicant is able to raise sufficient working capital or that the amount proposed to be borrowed will be sufficient for being used as working capital.

5. Mode of application.—Every application for loan under these rules shall be made in prescribed Form I, (which can be had at a cost of 12 paise per form) to the competent authority, and shall be accompanied by

(a) copies of title deed(s) in respect of the assets offered as security for the loan applied for, and where agricultural lands are offered as security, the «no objection» certificate from the Collector or Civil Administrator concerned and

(b) a fee of $\frac{1}{2}\%$ of the amount of loan applied for, or Rs. 250/- whichever is less, to meet the costs incurred in granting the loan, that is to say, for examining the documents for drawing up the mortgage deed and other like matters. The fee should be credited to XXIX/Industries other receipts (a) Department of Industrial/Rural Industries Project Office. Such fee shall be refunded in all cases in which an application is rejected on a preliminary scrutiny itself:

Provided that where immovable properties are not offered as security, a lump sum of Rs. 10/- only shall be remitted towards fee.

Note: Where a good, marketable title has not been made out in respect of the property offered as security, the competent authority may, with the previous sanction of the Government accept a lesser title if the legal adviser to the Government advises that (1) the title is a title under which the holding will not

be disturbed, (2) it present no probability of an adverse claim being made and (3) it can be sold under suitable conditions as to title without materially affecting the market value of the property.

6. Enquiry into nature and extent of security offered.—The competent authority, before sanctioning any loan—

(a) shall verify the *bona fide* and the sufficiency of the security offered by the person *desiring* to obtain loan under section 3 and

(b) may, where an application for loan is in respect of a small scale industry, the capital assets of which in the opinion of the competent authority exceed Rs. 3.5 lakhs, demand from the applicant at any stage of the security of the application, an affidavit in Form II.

7. Nature of security required.—(1) Loans granted upto one thousand rupees, shall be secured by personal bond of the applicant, and in case of the applicant being a firm, by the personal bonds of all partners being jointly and severally liable thereunder:—

Provided that the application is recommended by a local committee or social organization approved by the Government of the Union territory for the purpose, or by any District Advisory Board, a Community Development or National Extension Service Block Advisory Committee.

(2) Loans exceeding Rs. 1,000/- but not exceeding Rs. 5,000/- shall be secured by one or more personal securities. The solvency of sureties shall be got renewed every year, by the borrowers and produced to the competent authority for safe custody:

Provided that the solvency of the sureties is certified by an official of the Revenue Department—

(a) where the amount of loan does not exceed Rs. 2,000/-, not lower in rank than that of a Mamlatdar; and

(b) where the amount of loan exceeds Rs. 2,000/-, not lower in rank than that of a Deputy Collector/Civil Administrator.

(3) (a) No loan shall be granted to any Cottage Industry unless the net value of the security offered in the form of movable or immovable property or both is not less than the amount proposed to be granted as loan.

(b) In the case of any small scale industry the amount of the loan shall not exceed 75% of the net value of the security similarly offered.

(4) Where the value of security offered is at any time during the terms of the loan found inadequate, the borrower shall give such further or additional security as may be required by the competent authority for the due repayment of the loan.

(5) Where the borrower is a limited company, the competent authority may obtain in addition such personal guarantees as it may consider necessary from the Director or the Managing Agents of the Company.

8. Principal of valuation.—(1) The value of assets of an industry or of any property offered as colla-

terial security shall, so far as they do not consist of money be taken to be—

(a) in the case of fixed assets acquired by purchase for cash, that is to say land, buildings, leasehold, railway sidings, plant and machinery, additions and improvements thereto, trade marks and designs, the price at which these assets were acquired, subject to the fact that reasonable deductions for wear and tear such deductions being calculated in the case of buildings, machinery and plant at the rate fixed as allowable depreciation under the Income Tax Act, 1961 and appreciable increase or decrease in the market value of the site, machinery (other than second hand machinery) and buildings may also be taken into consideration:

Provided that land should not ordinarily be accepted as security for an amount greater than half its market value;

(b) in the case of fixed assets acquired by purchase otherwise than for cash, the value of the consideration at the time the assets were acquired, provided that the competent authority is satisfied with the value so arrived at;

(c) in the case of stores, spares and tools not taken into use the cost price or price of replacement, whichever is less;

(d) in the case of stores, spares and tools which have been used but are still in stock, the cost price less a proper deduction due to wear and tear;

(e) in the case of stock-in-trade or manufactured stock, the cost of manufacture or the market selling price whichever, is less, if purchased stock the cost price or price of replacement, whichever is less;

(f) in the case of book debts, the nominal amount of these debts, but the debts shall be classed as good and doubtful and no account shall be taken of doubtful debts, being debts which, having been due, have not been recovered for over two years:

(g) in the case of investment in Government securities, the face value and

(h) in the case of any other assets which have not been acquired by purchase, the value of the assets at the time when they become assets of the business subject to a reasonable deduction for wear and tear, provided that no value shall be placed upon the goodwill, patents, or secret process of any business.

(2) The value of the assets so far as they consist of money, shall be all cash with bankers or on hand, the value of cash in other countries being taken at the rate ruling on the day on which the valuation is made;

(3) The value of the additional assets that will be created by the application of the loan granted under these rules shall be money expended on the acquisition of immovable property and machinery having long life and on the liquidation of encumbrances on existing fixed assets which contribute to the enhancement of the capital value of the concern;

(4) The assets having been valued as mentioned above, all debts and liabilities of the business shall be deducted, other than accumulated profits and reserves in the case of limited companies, proprietary and partnership concerns, and the balance shall represent the net value or the surplus of assets and

shall be the value of the business for the purposes of the Act.

9. Valuation Certificates.—(1) The following officers shall be competent to issue certificates of valuation of lands, buildings, machinery, etc. offered as security towards the loan granted under these rules.

(a) Mamlatdars (in case of solvency certificates regarding encumbrances of property), and in case of land.

(b) Block Development Officers.

(c) Director of P. W. D. in the case of Buildings.

(d) Director of Transport. The President of the Motor Vehicle Committee in case of trucks and other vehicles.

(e) Reputed firms of valuers or Architects or Chartered Accountants.

Note: From among the above officers, any two can jointly issue a valuation certificate which would be valid for the purposes of granting loan:

(2)(a) The aforesaid valuation certificates shall be furnished by the Government Officers free of cost.

(b) The applicant shall furnish true declaration to the officer concerned of any encumbrance or charge of any interest of claim by way of inheritance, gift, or otherwise however, to which the property to be valued is subject.

(c) Government reserves the right for revaluation of the securities offered and may at any time revalue the securities, if found necessary. If subsequently in the opinion of the Government, it is found that the securities became inadequate the borrower will be required to produce additional security as acceptable to the Government.

Provided that the valuation made by a licensed Architect approved by the Government may be accepted, if the borrower bears the expenses of such valuation and deposits the requisite sum in advance with the competent authority.

Note: Where lands or buildings or both are offered as security in respect of loans not exceeding Rs. 2,000/- the competent authority shall himself make the necessary enquiries if found necessary to satisfy himself about the adequacy of the security offered.

10. Disbursement.—(1) After a loan is granted under rule 3, the Director of Industries and other officers empowered shall issue an order in Form II which shall set forth all the conditions regulating the grant of such loan. The competent authority shall obtain a consent letter from the borrower agreeing to the terms and then disburses the loan in one or more instalments as it thinks proper after obtaining the signature of the borrower at the end of the referred to and also after taking from him a mortgage deed or deeds and/or a surety bond or bonds, from the personal surety or sureties in one or more Forms subject to such variations as may be sanctioned by Government in individual cases.

(2) Loans may be disbursed at the —

(a) Office of the competent authority, or offices under his control, or

(b) Taluka/Treasuries/Sub-Treasuries.

(3) No loan shall be disbursed to an applicant unless the borrower or his surety, if any, executes a bond to the satisfaction of the competent authority. The loanee shall give a personal bond or a bond from his surety as the case may be, to the competent authority who shall record a certificate to this effect on the bill after which these loans shall be drawn in Form T. R. 42 and paid to the loanee directly by crossed cheque.

11. Rate of interests.—(1) The rate of interest at which loans may be granted under these rules shall be the rate prescribed and published by the Central Government from time to time, for similar loans sanctioned from the consolidated Fund of India. The rate of interest will also depend upon the period for which loan is taken.

(2) Interest shall accrue from the date of disbursement of the loan. Where a loan is disbursed in instalments, interest on each instalment shall be charged from the date of disbursement of each such instalments.

(3) On every instalment of principal which is not paid on the due date penal interest at the rate of 1% per annum in addition to the usual rate of interest shall be charged from the said date on the amount in arrears for the period for which it remains unpaid.

Provided that the competent authority may, on sufficient cause being shown, remit such penalty in whole or in part.

(4) Where the payment of interest is delayed for a period of more than six months from the due date then, there shall be imposed from that date on the amount of interest in arrears interest at the enhanced rate of 1% more than the rate of interest specified in sub-rule (1) and the amount in arrears shall, at the expiry of six months, be capitalised and added to the principal which shall bear interest at such increased rate.

12. Terms of repayments.—(1) Subject to the provisions of this rule, the amount of loan and interest thereon shall be repayable by such fixed annual or as the case may be, half yearly instalments as the competent authority may determine in this behalf.

(2) The repayment of loan granted primarily for working capital shall commence one year after the date of disbursement and the repayment of loan granted for other purposes shall commence two years after the date of disbursement of the first instalment.

(3) Where loan is granted for both working capital and for other purposes, it shall be treated as two separate loans, and repayment thereof shall commence as determined under sub-rule (1).

(4) The period of repayment of loan for lands, buildings, plant, machinery, equipment and other fixed assets shall in no case exceed ten years and for working capital five years from the date of disbursement of the first instalment of loan.

(5) Repayment of loan and interest shall be made at the nearest Government Treasury to the credit of the Government but the competent authority may, if it deems it fit, authorise repayment at any other Government Treasury. The repayment of loan including interest shall be made after the loanee presents a challan in triplicate, for necessary counter-

signature of the authority who sanctioned the loan. One copy of the challan with due endorsement of the Treasury shall be presented to the competent authority after payment, who will record the entries in the loan register, maintained by it. The borrower shall promptly intimate to the competent authority the place at which and the date on which he has made such repayment of loan instalment and interest along with a copy of the vouchers of the treasury, indicating the loan transaction to which such repayment relates. Every borrower shall lodge a repayment schedule with the competent authority, by the first fortnight of each financial year. (i. e. by 15th April of each year) showing the amount of principal and interest repaid, and outstanding balance to be repaid as at the close of 31st March of the previous year.

(6) The amount of each instalment shall be rounded to the nearest rupee, except in the case of the last instalment where the amount shall be rounded to the nearest multiple of five paise.

(7) Nothing contained in these rules shall prevent a borrower from repaying at any time a sum larger than the amount of an instalment or from repaying the entire amount of loan in one single payment. If any sum in excess of the amount of any instalment be paid, it shall be credited in reduction of the principal amount the number of future instalments, being reduced if necessary, but no postponement of subsequent instalments be allowed, except in the final instalment if such alteration is necessary to adjust the balance due.

(8) If the amount due for any instalment is paid before the due date, such repayment shall entitle the borrower to a corresponding remission of interest in respect of complete months only and to no other concession, and it shall be treated for all purposes as having been made on the due date.

(9) The repayment of an instalment may be suspended by the competent authority whenever from causes beyond the borrower's control such repayment becomes, in the opinion of the competent authority, unduly burdensome. Whenever the payment of an instalment is suspended all the remaining instalments due on the loan shall be postponed by one instalment period:

Provided that nothing in this rule shall enable the competent authority to make an order, which will have the effect of extending the period of repayment to over seven years, in the case of loans granted primarily for working capital and twelve years in other cases:

Provided further that the suspension of repayment of an instalment shall not carry with it suspension of interest except under the orders of the Government and in exceptional circumstances beyond the control of the borrower.

(10) Where a borrower has paid all instalments on due dates, then at the time of paying the last instalment he may be allowed a rebate of 1/2% which shall be adjusted against the amount of the last instalment.

13. Maintenance and insurance of mortgaged properties.—(1) The borrower shall maintain or cause to be maintained in good and substantial repair the premises, buildings, plants, machinery, equipment and all other properties mortgaged (whether by himself or

by this sureties or surety) as security for the loan. He shall, unless exempted by the competent authority in writing insure the mortgaged property against loss or damage by fire and theft and shall duly and regularly pay the premium payable in respect thereof, as and when they became due and payable. In the event of failure to carry out any repairs or to effect the insurance or pay the premium when due, the competent authority may himself do so or cause them to be done and incur the expenditure necessary therefore. The expenditure so incurred shall be recovered in accordance with the provisions of sub-section (1) of Section 6.

Provided that the competent authority may require the borrower to insure the property mortgaged for securing loan before the loan is advanced to him.

(2) The borrower shall within a period of three months from the date of receipt of the loan amount insure all the assets mortgaged for the loan by him to the Government against loss or damage by fire, riots, civil connection etc. with some Insurance Co. to be approved by the competent authority and assign the policy in favour of the President of India. This condition of the insurance shall be waived in cases of loans not exceeding Rs. 5000/-. Insurance shall be compulsory for loans above Rs. 5,000/- and shall be equal to the amount of loans.

14. Recovery of loan for breaches of conditions. — Every loan granted under these rules shall be applied for the purpose for which it is granted, if at any time it is proved to be satisfaction of the competent authority or officer deputed by it or authorized by the State Govt. in this behalf that the loan or any part thereof has not been applied for the purpose for which it was granted, the whole unpaid balance of the loan with interest and costs, if any, shall forthwith become payable and shall be recovered in accordance with the provisions of sub-section (1) of Section 6.

15. Inspection of accounts and works. — (1) The borrower shall be bound to permit the Director of Industries and other competent authorities or any other officer deputed by them by general or special order in writing or any other persons authorized in this behalf by the Government at all reasonable times, to inspect the premises, accounts books, machinery, plant, appliances, etc. and all other belongings and things connected with the development of industries in respect of which the loan has been granted and to provide all reasonable facilities for such inspection.

(2) Any building, godown, warehouse, plant, machinery, appliances etc. purchased out of the loan granted under these rules and which serve as security shall be maintained and kept in good and efficient condition to the satisfaction of the Director of Industries.

(3) The Director of Industries may pass an order that a building, godown, warehouse, machinery, plant, appliances, etc., referred to in sub-rule (1) above shall be repaired, reconstructed, renewed or re-conditioned at the cost of the borrower and if the borrower fails to carry out such order, the loan or any balance thereof and all other moneys outstanding against the borrower shall become repayable forthwith repaid and if not repaid, the same may be

recovered as arrears of land revenue in the following manner:

(a) Loans above Rs. 5,000/- to be recovered with the previous sanction of the Government.

(b) Loans upto and inclusive of Rs. 5,000/- to be recovered under the instructions of the officer granting the loan.

16. Submission of certificate by the borrower. — The borrower shall submit to the competent authority within three months from the date of disbursement of the first and each subsequent instalment of the loan, a certificate showing the amount actually spent and the purpose for which it has been spent and shall annually submit to the competent authority information regarding the working and general condition of the industry for which the loan is granted under these rules in such form as the competent authority may, from time to time, direct.

17. Accounts and Audit. — (1) The account of every industry in respect of which a loan exceeding Rs. 5,000/- is granted under these rules shall be audited at least once in every year by an auditor approved by the competent authority.

(2) Where the accounts of the industry are audited under any other law for the time being in force by an auditor, a certified copy of the annual statement of accounts together with the auditor's report in full shall be submitted to the competent authority:

Provided that the competent authority may at any time, if it thinks it necessary so to do get the accounts of the borrower in respect of the industry for which the loan is granted, audited (at the expense of the borrower) by an auditor approved by the competent authority.

(3) The borrower shall rectify the objections and any errors or omissions pointed out by such auditor.

18. Consequences for not complying with conditions of grant of loan. — Where the conditions subject to which a loan is granted under these rules are not complied with, no profits shall be appropriated by the borrower if he is a partnership firm and no dividends shall be distributed in excess of 3% per annum, if the borrower is a limited company, without the approval of the competent authority.

19. Loans to Industrial Cooperative Societies. — Loans can be sanctioned to the Industrial Cooperative Societies including Industrial Estates, against the Society's borrowing capacity and against its general assets and keeping in view the pattern of financial assistance to industrial cooperatives, as regulated by the Central Government from time to time. Similarly, matching share capital can be considered against the above conditions. Loans and managerial subsidy to such co-operative societies may be granted after they are recommended by the Registrar of Cooperative Societies. Interests shall be paid by the borrower and Industrial Cooperative Societies, at the normal rates. Concession if any and if justified, shall be given by direct subsidy on recommendation of the Registrar of Cooperative Societies, for which a separate claim has to be made by the borrower society through the Registrar of Cooperative Societies.

20. Adoption of bye-law for share capital. — The Cooperative Society shall adopt a bye-law making the share capital non-refundable for a period of fifteen years from the date of Government contribution to the share capital. The share capital shall not be refunded within fifteen years. The Society shall create a fund for repayment of Government contribution. The amount standing to the credit of the Fund for repayment of Government's contribution shall not be utilised in the business of the Cooperative Society.

FORM I

(See Rule 5)

DIRECTORATE OF INDUSTRIES AND MINES PANAJI GOA

Form of application for the Loan

Address: ...

Date: ...

To:

The Director of Industries and Mines,
Government of Goa, Daman and Diu
PANAJI — GOA.

Sub-Application for a loan of Rs. ... (Rupees ...)

Dear Sir,

I/We Shri/Smt. ... hereby apply for a loan of Rs. ... (Rupees ...) from you and submit hereunder the particulars required by you.

Enclosed are the following documents for your perusal:

- A) A copy of the Partnership Deed.
- B) Copies of audit balance sheets and profit and loss accounts of the concern for the previous three years.
- C) A copy of each of the principal document of title to property i.e. conveyance of lease, as the case may be.

1. Full name of the concern and/or applicant.

A. Address: Office:
With Tel. No. if any Factory:

2. Constitution of the Concern:

(Whether Sole Proprietorship/Partnership/Ltd. Company)
Particulars regarding:
Proprietor/Partners (his/their name (s), technical qualifications, and designation.

3. i) Nature of industry in respect of which loan is applied for

ii) Products manufactured

4. History of the Concern:

- i) When was the concern established?
- ii) When was it acquired by the applicant, from whom under what circumstances and for what consideration.

5. Capital structure of the Concern:

Name (s) of Proprietor/Director/Partners with his/their respective capital investment (in case of Ltd. Co. the authorised and issued capital may be given).

6. Purpose of loan:

- (i) For construction of building, godown, warehouses, etc. Rs. ...
- (ii) For purchase of land Rs. ...
- (iii) For purchase of machinery, plant, and appliances, etc. Rs. ...
- (iv) For working capital Rs. ...

Total: Rs. ...

7. Security offered for the loan applied for; The loan will be secured by the first legal mortgage of such existing fixed assets as are owned and by a legal assignment of the full term of lease of such fixed assets as are on lease.

(A) Fixed assets: EXISTING LAND

Its area, its exact location with survey nos. if any (State the name of Village)

Value: Rs. ...

BUILDING:

a) If building is owned by the applicant, please give the value at cost less depreciation of such building (survey no. of the land on which the building stands, may be stated).

Depreciated
Value: Rs. ...

b) If holding is on lease, please state here «ON LEASE» and state period of lease.

PLANT AND MACHINERY:

Please give detailed particulars of existing plant and machinery, and state here total value of machinery at original cost less depreciation (Attach a separate list of machinery with the details of the purchase date and original value of each machine.

Depreciated
Value: Rs. ...

Other fixed assets, if any to be offered as additional security (Cars, trucks, etc.)

Depreciated
Value: Rs. ...

Total of «A» ...
Rs. ...

Note: — If the value of the assets has been written off under any scheme in any year, full particulars should be given.

Fixed assets proposed to be acquired from the loan from the Govt. and offered as security.

(i) **Land:** (Freehold/Leasehold) (Please state here the value of the land, its area and the exact location with survey Nos.)

(ii) **Building:** (Please state here the value of the building proposed to be owned)

Rs. ...

(iii) **Plant and Machinery:** Please state here the total value of the additional machinery particulars of each machine is to be given separately stating the source from which it is to be acquired)

Rs. ...

Total of «B» Rs. ...

8. Full details of the proposed scheme of expansion or development of Industry for which loan is applied for.

9. Period and mode of repayment of loan (Annual/Half yearly).

10. Estimate of probable profits:—

The following table should cover a normal year of working after completion of the Industrial Project:—

(a) Gross Sales Proceeds Rs. ...

(b) Expenditure:

i) Cost of raw materials and stores Rs. ...

ii) Rent of factory premises, electricity charges, etc. Rs. ...

iii) Wages Rs. ...

iv) Miscellaneous Rs. ...

Total: Rs. ...

(c) Gross profit on sales (a-b) proceeds. Rs. ...

- (d) i) Administrative and selling expenses Rs. ...
 ii) Personal remuneration drawn by the Proprietor/Partners Rs. ...
 iii) Interest on borrowings taken (inclusive of Govt. loan) Rs. ...
 iv) Taxation Rs. ...
 Total: Rs. ...
- (e) Net profit (c-d) Rs. ...
- (d) Cash available for liquidation of loan Rs. ...
- Have you applied or taken any other private or bank or Govt. Deptt. Loan? If so, please give details and when it will be repaid.
12. Last year in respect of which Fazenda Assessment has been completed and amount of taxes paid to Fazenda.
13. The number of shifts and workers now employed No. of shifts Average No. of workers in each shift.
 i) Permanent ...
 ii) Temporary ...
14. The name of the Bankers and Address
15. If assets have been insured, the value of insurance in respect of each such assets insured and the name of the insurance Companies.
16. Names and qualifications of your supervisory technical personnel.
17. Nature of Small Scale Industry to be specified.

I/We hereby declare that the particulars given above are furnished for the express purpose of securing the loan or financial accommodation from the Govt. and to the best of my/our knowledge and belief, are true and correct, and no material fact has been concealed or withheld.

Signature of the applicant

Date ...

Address ...

FORM OF AFFIDAVIT

I hereby solemnly declare that the capital assets, i.e. the value of the machinery and equipment (including the assets which may be created out of the loan applied for) for the ... for which the loan had been applied for does/will not exceed Rs. 5 lakhs.

Signature of the applicant

Address ...

Date ...

FORM II

(See Rule 10)

No. ...

Government of Goa, Daman & Diu.
 Industries & Labour Department,
 Secretariat, Panaji.

Dated: ...

GOVERNMENT ORDER

Sanction is hereby accorded for the payment of Rs. ... (Rupees .. only) to Shri ...

As per the «pattern of assistance» approved by the Government of India vide their letter No. GI(GOA)202/37/63, dated 11th June, 1963, of the Ministry of External Affairs, New Delhi, subject to the following conditions:—

1. The loan amount should be utilised for the purchase of ...

2. The loanee should contact the Director of Industries and execute mortgage agreement ...
3. The loan will bear an interest of six percent per annum.
4. The repayment of the loan and the interest thereon should commence at the end of the second year from the date of receipt of the loan. The repayment of principal should be made in nine annual equal instalments and the interest accrued should also be paid simultaneously. The due dates for repayment of principal and interest shall be specified by the Director of Industries and Mines at the times of payment of the loan.
5. The rate of interest, the terms of repayment and other matters are subject to further changes as may be decided by Government if necessary, and the party shall abide by all rules made by the Government from time to time for this purpose.
6. The Government have power to call for the accounts of his ... unit relating to any accounting year and also to depute an officer specially authorised for this purpose to inspect the books of accounts of the said unit, if necessary.
7. For any default in payment of interest of repayment of principal on due date or for any other breach of the terms and conditions of the loan, the loanee is liable to pay penal interest at the rate determined by the Government.
8. The loan is sanctioned in accordance with the provision of State Aid to Medium Small Scale and Cottage Industries Rules.
9. The loan amount has to be utilised within a period of three months from the date of receipt of the loan amount. For the breach of any of the conditions, the loan amount is liable to be recovered in lump sum as arrears of land revenue.
10. The applicant has to obtain a registration number for the unit in question from the Department of Industries, if the same has not been obtained earlier within three months from the date of receipt of the loan amount.
11. ... should be insured against all risk with Life Insurance Corporation of India and the policy assigned to the Administrator of Goa, within 10 days of the receipt of the loan.
12. The amount will be disbursed to the party after fulfilment of the conditions prescribed.
13. The expenditure is debitable to the Budget Head «Demand No. 47, Q-Loans and Advances by state and Union Territory Governments—VII-Industries (b) Scheme in five year plan (6) Loans to Small Scale Industries and Private Parties—Plan».
14. This sanction issues with the concurrence of the Finance Department, vide their U. O. No. ... dated.

FORM III

(See Rule 10)

AGREEMENT

This agreement made this ... day of ... 196... between the President of India (hereinafter referred to as the Government) and Shri ... which expression shall include his heirs, executors, administrators, legal representatives and permitted assignees, (hereinafter referred to as the grantee). The parties hereto agree as follows:—

2. Whereas the Government has sanctioned a scheme for grant of loan under Government Rules to the grantee at his request ... the Government has paid a loan of Rs. ... to the grantee under Government Sanction Order No. ... date ... for the purchase of ...

Now these presents witnesseth, that the grantee shall repay to the Government the said loan of Rs. ... by equally yearly instalments of Rs. ... each, the payment of first instalment to be made after 24 months from the date of disbursement of loan and subsequent instalments on the corresponding day of each subsequent year.

And the grantee further covenants that so long as any part of the principal sum of Rs. ... is outstanding he shall pay interest to the Government at 9% per annum on all moneys whatsoever for the time being due and owing under these presents by yearly payments commencing after two

years from the date of the disbursement of the loan and thereafter on the corresponding date of each subsequent year until the whole sum of Rs. ... is paid off, provided that if any interest shall remain unpaid for an year after the date on which the same ought to be paid, then and in every such case the interest so in arrears shall at the expiry of such year be capitalised and be added to the principal sum hereby secured and for the time being owing thereunder and shall thenceforth bear interest at the aforesaid rate of 9% and all the covenants and conditions in these presents and the law for the time being in relation to interest shall equally apply to such interest in arrears, provided however, that if the instalments of principal and/or interest is paid on the due date or within such subsequent period not exceeding 6 months as the Government may allow, the grantee shall be bound to pay interest only at the rate of ...% per annum, provided always that the aforesaid provisions shall not be construed as permitting the grantee to allow any interest or principal sum to fall into arrears.

3. Pay the amount of instalment and the interest to the nearest Government Treasury or in any branch of the State Bank of India, transacting treasury business, to the budget head ... which the Director of Industries, Goa, Daman and Diu from time to time specify to the grantee and forward the copy of the challan on this account to the Director of Industries, Panjim each year in the first fortnight of the year.

4. Wherever so required by the Director, allow the Director or any Officer authorised by him to inspect the work for which the loan made as also, the plant, machinery, tools, stores stock appliances etc. purchased out of the said loans or constructed herewith.

5. Furnish within such time as may be fixed by the Director, statement and reports as may be prescribed by the Director and furnish such information concerning said loan, or the work for which the same is advanced or the way in which the said is spent or intended to be spent and other matters connected therewith as Director of Industries, Panjim, may from time to time require.

6. Maintain a register showing the account of the said loan in the form prescribed by the Director and submit the same together with the supporting vouchers for audit to the officials of the Industries Directorate whenever he requires him so to do or to such officials as may be specified by the Government.

7. When so directed in writing by the Director to purchase the equipments and other articles to be purchased with the amount of the said loan or so much thereof as may be specified by the Director.

8. During the continuance of this agreement not to sell, mortgage, or otherwise alienate, charge or assign the tools and equipments purchased with the amount of the said loan without the previous sanction in writing of the Director. Otherwise this agreement shall remain in full force and effect and in the event of breach of any of the conditions mentioned above the said aggregate sum of Rs. ... shall become forthwith payable by the grantee to the Government.

IT IS HEREBY AGREED AND DECLARED that the said aggregate sum of Rs. ... shall also become due and payable in each and every other following events:

- a) If the grantee shall cease to carry on business for any reason whatsoever during the continuance of this agreement.
- b) If the grantee shall fail to take sufficient measure to safeguard the tools and equipments etc. from loss by fire, accident or otherwise, or fail to maintain the same in efficient condition to the satisfaction of the Director of Industries.

AND IT IS HEREBY FURTHER AGREED AND DECLARED that on the repayment of the said amount of loan on their due dates and in the manner provided the grantee shall be discharged from all obligations herein.

IT IS HEREBY LASTLY AGREED AND DECLARED that all moneys payable hereunder shall without prejudice to any other rights or remedies of the Govt. be recoverable by the Govt. from the grantee as arrears of Land Revenue.

«In witness whereof the parties hereinbefore mentioned have set their hands and seals on the day and the year first above mentioned».

The within named Shri (grantee) signed on this day at Panjim in the presence of:

- Witnesses: (1)
(2)

Signed and sealed by Shri ... Director of Industries, Government of Goa, Daman and Diu for and on behalf of the President of India.

- Witnesses: (1)
(2)

(See Rule 10)

Surety bond by one or two sureties

This deed of surety bond is made on the ... day of ... between Shri ... (First surety) and Shri ... (Second surety) hereinafter collectively referred to as the surety/sureties of the first part and the President of India represented by the Director of Industries, Government of Goa, Daman and Diu hereinafter called the grantor of the second part.

Whereas the Grantor has agreed to advance to Shri ... hereinafter called the grantee/grantees of loan of Rs. ... repayable by equal yearly instalments of Rs. ... each, and the payments must have to be made by the grantee/grantees as per the terms and the conditions of the Agreement entered into by the grantor and the grantee/grantees until the entire debt is repaid together with interest specified in the said agreement.

In consideration of the grantor advancing the said loan to the grantee/grantees the surety/sureties hereby jointly and severally guarantee the punctual repayment of the said loan with interest to the grantor in accordance with the covenant hereinbefore contained. If the grantee/grantees fails to repay any instalments or principal sum together with the said interest punctually the same can be recovered from the surety/sureties, at any time if the grantor thinks fit.

In witness whereof the parties hereinbefore mentioned have set their hands and seals on the day and year first above mentioned.

Sureties

- 1.
- 2.

The within named Shri ...

2. Shri ... signed on this ... day of ... 196... at Panjim in the presence of

- Witness 1.
2.

Signed and sealed by Shri ... Director of Industries, Government of Goa, Daman and Diu for and on behalf of the President of India.

(See Rule 10)

MORTGAGE DEED

This mortgage made at ... on the ... day of ... one thousand nine hundred and sixty ... between Shri ... Shri ... carrying on business in partnership in the firm name and style of ... dated ... hereinafter collectively referred to as «the Mortgagors» which expression shall unless the context otherwise admits include his/their respective heirs, executors, administrators and assigns/ ... a/s Society registered under the Maharashtra Cooperative Societies Act, as made applicable to the Union Territory of Goa, Daman and Diu and having its registered office at ... (hereinafter referred to «the ...» which expression shall unless the context otherwise admits include its successors and assigns) of the one part, and the President of India (hereinafter referred to as «The Mortgagee» which expression shall, unless the context does not so admit, include his successors and Assigns, of the other part).

Whereas the Mortgagor/s is/are seized and possessed of and otherwise in case of well and sufficiently entitled to the land hereditaments and immovable premises situated laying and being at ... property and more particularly described in the first scheduled hereunder written:

And whereas the Mortgagors applied to the Mortgagee under the Government Rules for a loan of Rs. ... for ...

And whereas the Mortgagee has under the said Rules agreed to advance to the Mortgagors the said sum of Rs. ... in instalments subject to the provision contained therein and upon the Mortgagors having agreed to secure repayment thereof in the manner hereinafter prescribed.

NOW THIS MORTGAGE WITNESSETH AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the sum of Rs. ... (Rupees ... paid to the Mortgagors by the Mortgagee on or before the execution of these presents as first advance on account of the said loan (the

receipt whereof the Mortgagor/s doth/do hereby admit and acknowledge and of an from the same doth/do hereby release and discharge the Mortgagee and in consideration of further sum (if any) not exceeding Rupees ... to be hereinafter advanced subject to the fulfilment of the conditions on the part of the Mortgagors hereinafter contained (hereinafter called «subsequent instalment/s of the loan») the Mortgagors will repay to the Mortgagee/s the said sum of Rupees with interest thereon at the rate of ... percent per annum within a period of ... years from this date by ... equal six monthly/yearly instalments to be paid after two years from the date of disbursement of the first

one

instalment of loan ... and the subsequent instalments to be paid of the corresponding day of ... of each subsequent month/year PROVIDED THAT the Mortgagors shall be at liberty to repay the loan by larger instalments and that the mortgagor/s shall in the meantime and so long as any part of the principal sum of Rupees ... shall remain owing pay interest to the Mortgagee at the rate of ... percent per annum on all moneys whatsoever for the time being due and owing on the said security and under these presents by monthly/yearly payments the first of which payments shall be made on the ... day of 196... and subsequent monthly/yearly payment shall be made on the ... day of ... each subsequent month/year until the whole sum of Rupees ... is paid of.

PROVIDED THAT if the payment of any instalment of principal be not made on the due date interest payable by the mortgagors thereon shall be at the increased rate of ... percent per annum from the date the said instalment is payable till its payment. Provided further that if the payment of any instalment of interest is delayed for a period exceeding six months from its due date interest payable by the Mortgagors, shall be at the increased rate of ... percent per annum from such due date and the amount of interest in arrears shall at expiry of every six months be capitalised and be added to the principal sum hereby secured land for the time being owing hereunder and shall thenceforth bear interest payable at the increased rate and on the days as aforesaid and all the covenants and conditions contained in these presents and all the rules of law and equity in relation to interest shall equally apply to interest on such arrears. Provided further that aforesaid provisions shall not be construed as liberty to the Mortgagors to allow any interest to fall into arrears.

2. PROVIDED ALSO and it is hereby agreed that if the full amount of the said loan shall not be advanced then the amount of each of the said annual instalments of principal and interest shall be proportionately reduced to such amount as may be determined by the Mortgagee. PROVIDED ALSO that if no further of final advance shall be made then the date for the first payment of such annual instalments of principal and interest and of the said annual instalments of accumulated interest shall be determined by the Mortgagee and shall be paid by the Mortgagor accordingly.

3. In further pursuance of the said agreement and for the consideration in case of aforesaid the Mortgagor/s doth/do hereby grant, convey immovable transfer and assure unto the Mortgagee all that piece or parcel or property of land or ground situate lying and being at bearing Matriz no. ... of ... and more particularly described in the first schedule hereunder written TOGETHER with all and singular the houses, out-houses, edifices buildings, yards, well, compound, paths, water, watercourses, sewers, ditches, drains, trees, plants, lights, liberties, easements, profits, privileges, advantages, rights, members appurtenances to the said land hereditaments and premises or in anywise appertaining or with the same or any part thereof now or at any time heretofore usually held and occupied or enjoyed or be appurtenant thereto. AND TOGETHER also with all the right, title, interest, claim and demand whatsoever of he/they the Mortgagors into the upon the said piece or parcel of land hereditaments and premises or any part thereof (hereinafter collectively referred to as «the Mortgaged properties») TO HAVE AND TO HOLD the same unto the use of the Mortgagee absolutely subject to the proviso for redemption hereinafter contained.

4. In further pursuance of the said agreement and for the consideration aforesaid the Mortgagor/s doth/do hereby assign transfer and assure unto the Mortgagee all his/their undertakings and all his/their property and assets, present and future, the present assets are more particularly set out in Part I of the second schedule hereunder written including the ... to be ... with the said loan particularly set out in

Part II of the said second schedule and which undertaking, property assets and the said ... are hereof for the sake of brevity called «the Mortgaged properties» and all the estate right interest, ... claim and demand of the Mortgagors into and upon the Mortgaged properties to have and so hold the same unto the Mortgagee, absolutely subject to the proviso for redemption hereinafter contained and subject to the right of the Mortgagor to deal with the same in the ordinary course of business but not otherwise to the intent that these presents shall be a specific charge on the said present assets of the Mortgagors and shall be a floating security on the undertaking and other further property and assets of the Mortgagors so that the Mortgagors shall not be at liberty to create any debenture, Mortgage or charge in priority to these presents without the consent of the Mortgagee.

5. PROVIDED ALWAYS AND it is hereby agreed and declared that if the Mortgagors shall comply with the terms on which the said loan has been granted and shall duly repay the amount of the said loan of Rs. ... and the subsequent instalments of the loan (if advanced) together with interest thereon and shall pay all costs charge and expenses of the Mortgagee of and incidental to this Mortgage, the Mortgagee shall upon the request and at the costs, charges and expenses of the property.

Mortgagors reassigning and re-transfer the Mortgaged properties unto the Mortgagors or as they may direct and in the meantime and until default be made by the Mortgagors in payment of the said principal sum and the subsequent instalments of the loan (if advanced) or any instalment thereof or interest thereon or any part thereof the Mortgagors shall remain in the position or receipt of the rents and profits of the said land hereditaments and premises.

6. The said principal sum of Rs. ... and the subsequent instalments of the loan (if advanced) or any balance thereof and all other moneys due for the time being under these presents shall become immediately payable and the security hereby constituted shall become enforceable forthwith in each and every one of the following events:—

(a) If the Mortgagors shall fail to pay any instalment of principal on the respective due dates in the manner aforesaid, as and when it may become due and payable.

(b) If the Mortgagors shall make default in payment of any instalment of interest on the respective due date as hereinbefore provided.

(c) If a distress or execution shall be levied or enforced upon any part of the Mortgaged properties or a Receiver thereof be appointed.

(d) If the Mortgagors shall commit breach of any one of the covenants or provisions herein contained and on his/their part to be observed and performed.

(e) If the Mortgagors or either of them are or is adjudicated insolvent/ if the Mortgagor's Society is wound up.

7. As soon as the principal moneys, including the subsequent instalments of the loan if advanced or the balance thereof shall become payable and the security enforceable under the last preceding clause the Mortgagee shall be entitled (without being bound to do so), to take possession of the Mortgaged properties and to realise the same, and quietly to hold and enjoy the same and receive the income and profits thereof without any interruption or disturbance by the Mortgagors or any other person whatsoever claiming under the Mortgagors.

8. If default shall be made in repayment of the Mortgage money or any part thereof on the days and in the manner aforesaid or if the security hereby constitutes becomes enforceable in each and any of the events mentioned in clause 7 hereof, the Mortgagee shall be entitled and shall have full power to sell as per the law in force or any of the Mortgaged properties either by public auction or by private contract and either for a lump sum or for a sum payable by instalments and may make such sale upon such terms and conditions including any special or other stipulations as to title evidence or otherwise as the Mortgagee shall deem proper and the Mortgagee shall have full power to buy in or rescind or vary any contract for sale of all the Mortgaged properties or any part thereof and to resell the same without being responsible for any loss which may be occasioned thereby and with full power to compromise and effect compositions and for the purpose aforesaid the receipt of the Mortgagee for the purchase money of the

properties sold and for any other moneys paid to the Mortgagee shall effectively discharge the purchaser or other person or persons paying the same therefrom or from being concerned to see the application or being answerable for loss or mis-application thereof.

9. AND IT IS HEREBY AGREED AND DECLARED THAT whenever any instalment of principal or interest or any other sum due and payable by the Mortgagors under these presents shall be in arrears the same may be recoverable from the Mortgagors in the same manner as an arrear of land revenue under the provisions of any law for the time being in force. Provided always that this clause shall not affect other rights, powers and remedies of the Mortgagee.

10. The Mortgagors doth/do hereby covenant with the Mortgagee as follows:—

(a) that the Mortgagors has/have now good right and full power to grant convey and transfer the said mortgaged properties hereinbefore expressed to be hereby granted conveyed and transferred as aforesaid free from all claim lines and encumbrances and that the Mortgagors and every other person having or claiming any estate or interest in the said mortgaged properties or any part thereof will at all times at the costs until the sale thereof of the Mortgagors and afterwards of the person or persons requiring the same execute and do all such assurances and acts for further and more effectually assuring the said mortgaged properties or any part thereof to the Mortgagee or to such other person as he may direct as shall be reasonably required;

(b) that the moneys secured by these presents shall be a first charge on the said mortgaged properties and shall take precedence over all other moneys now due or which may hereinafter be borrowed by the Mortgagors;

(c) that the Mortgagors will so long as any of the principal moneys including the subsequent instalments of the loan (if advanced) or any interest secured by these presents shall remain unpaid and the Mortgagee shall not have taken possession of the mortgaged properties carry on and conduct the business of Mortgagors in a proper and efficient manner and for that purpose the Mortgagee hereby permits the Mortgagor to use the said mortgaged property and the Mortgagor shall hold the same for and on behalf of the Mortgagee;

(d) that the Mortgagor will maintain and keep in a good substantial state of repairs and condition of the said mortgaged properties expressed to be hereby assured and shall paint the vessel twice a year at his/their expense and shall set right any repairs, overhauls, damages etc. immediately at his/their expense;

(e) that the Mortgagor will keep the said mortgaged properties insured against loss or damage by fire, riots, civil commotion and marine risks to their full insurable value

the extent amount of the loan with some insurance office to be approved by the Directorate of Industries the policy or policies of the insurance and the receipt or receipts for such payment and will apply all moneys received by the Mortgagors under any such insurance in making good and such loss or damage.

PROVIDED THAT if default shall be made by the Mortgagors in insuring or keeping the mortgaged properties insured as aforesaid then and so often as the same shall happen it shall be lawful (but not obligatory) for the Directorate of Industries on giving 24 hours' notice to the Mortgagor to insure and keep insured the mortgaged properties to their full insurable value and the Mortgagors will on demand repay to the Mortgagee every sum of money expended for that purpose by the Directorate of Industries with interest at the rate and in the manner aforesaid from the time the same respectively shall have been so expended and that until such repayment the same shall be first charged upon the mortgaged properties;

(f) that the Mortgagor will duly and punctually pay, perform and observe all rents, rates, taxes, assessments, outgoing, covenants and obligations which are to be paid observed or performed by the Mortgagors in respect of the said mortgaged properties or otherwise howsoever;

(g) that the Mortgagors will permit the Mortgagee or any person or persons authorized by him any time and from time to time during the usual time of business so long as any money shall remain due or owing upon the security of these presents to inspect and examine any part of ... the mortgaged properties and render them such assistance as

may be required for any of the purposes aforesaid and will furnish to the Mortgagee or to such person or persons as he shall from time to time appoint for the purpose all such information relating to the business or affairs of the Mortgagors or the Mortgaged properties or any part thereof as he or they shall require;

(h) that the Mortgagors shall submit to the Director of Industries within three months from the date on which the first instalment or each subsequent instalments of loan is paid to the Mortgagors a certificate showing the amount actually spent by the Mortgagors and the purpose for which it has been spent and annually sent it to the Director of Industries, information regarding the working and general condition of the undertaking in aid of which the said loan is made in such form as may be approved by the Director of Industries from time to time;

(i) that the Mortgagors shall utilise the amount of the said loan including the subsequent instalments of loan (if advanced) for:

(j) that the loan of Rs. ... (Rupees ...) only is secured by the mortgagor/s Shri ... of ... and Shri ... of ... and he/they agrees/agree herewith to abide by all the terms and conditions laid down and to be laid down in future by the Govt. to that effect.

(k) that the Mortgagor/s does/do hereby agree to comply and abide with all the terms and conditions stipulated in the said Government Sanctioned Order No. ... dated...

(l) that the Mortgagor/s has/have to obtained a registration number for the Unit in question from the Department of Industries, if the same has not been obtained earlier within three months from the date of receipt of the loan amount.

(m) that the said land/building/machinery is free of charge by way of encumbrance, gift, inheritance or otherwise, the said ... is freehold.

In witness whereof, the Mortgagors has/have set his/their respective hands hereto the day and year first above written/ the chairman and the members of the Managing Committee of the ... Society have set their respective hands and the seal of the Society hereto the day and year first above written.

The First Schedule Above Referred to: Part I

All that piece or parcel of land or ground of the quit and Ground Rent Tenure with the messuage tenement or dwelling house standing thereon situate, lying and being at ... and bearing Matriz No. ... and Registo Predial in the Registration Conservatoria the Registo ... containing by admeasurement ... square feet or thereabout, and bounded as follows that

yards
is to say:—

On or towards the East by.
On or towards the West by.
On or towards the North by.
On or towards the South by.

The Second Schedule Above Referred to: Part II

Signed and delivered by the above named Mortgagors in the presence of—

Full name	Address	Signature
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1.
2.

Received of and from the President of India the sum of Rupees ... being the amount of the Government Loan expressed above to have been paid Rs. ... (Rupees ... only) by the President of India to the Mortgagors above named.

In the presence of:—

1.
2.

I/We Say received Mortgagors.

AGREEMENT FOR MANAGERIAL SUBSIDY TO INDUSTRIAL COOPERATIVE SOCIETIES

THIS AGREEMENT MADE THIS ... day of ... the year one thousand nine hundred sixty ... BETWEEN the President of India (hereinafter referred to as the «Government» which expression shall where the context so admits include his successors and assigns) represented for this Act by Shri ... Director of Industries and Mines Deptt., Government of Goa, Daman and Diu, of the one part and the Managing Committee

of the... registered under the Maharashtra Cooperative Societies Act, 1960 as extended to the Union Territory of Goa, Daman and Diu and having its registered office at... (hereinafter referred to as «the Industrial Cooperative Society» which expression shall where the context so admits include their successors in interest and assigns) of the other part.

WHEREAS the Government have agreed by their order No. ... dated... to sanction subsidy of Rs. ... (Rupees...) to the Industrial Cooperative for employing Managerial Staff under the terms and conditions mentioned in the said order.

AND WHEREAS the Industrial Cooperative Society have agreed to abide by the terms and conditions contained in the said order.

NOW THESE PRESENTS WITNESS AS FOLLOWS:—

1. That the amount of subsidy which has been sanctioned, will be utilised to meet the expenditure on the employment of whole-time/part-time Manager/Secretary/Accountant.

2. That the amount sanctioned shall be utilized in the proper manner and in case of non-utilization of subsidy, the entire subsidy of Rs. ... (Rupees...) will be refunded in one instalment.

3. That the Industrial Cooperative shall maintain proper account of expenditure incurred and also the account of grant-in-aid and that all such accounts shall be subject to audit by the Officer authorised by the Government in this behalf.

4. That before the Society pays a dividend out of the profit, a reserve fund will be built up to the extent of the grant received.

5. That the Industrial Cooperative Society agrees herewith, to comply and abide with all terms and conditions laid down and to be laid down by the Government in future.

6. That if in any case, the Government is not satisfied with the utilisation of the subsidy or if the Industrial Cooperative Society commits breach of all or any of the terms and conditions of these presents, the Government shall be entitled to recover all the amounts due to them as arrears of land revenue without prejudice to any other legal remedy open to the Government in this behalf.

That if at any time during the continuance of this agreement any dispute, doubt or question shall arise between the Industrial Coop. Society and the Government or any person claiming under them, touching or arising out or in respect of this deed or the subject matter thereof, the same shall be referred to the two arbitrators one to be appointed each party to the agreement, and in case of difference of opinion between them to the Secretary to Government, and the decision or arbitrators/Secretary to Government, as the case may be, shall be final and binding on the parties. The provision of the Indian Arbitration Act, 1940 for the time being in force shall apply to these proceedings.

IN WITNESS WHEREOF the parties abovementioned have set their hands and seals on the date and year first above written.

IN THE PRESENCE OF:—

WITNESSES: (1)

(2)

Seal of the Industrial Cooperative Society

Signed, Sealed and Delivered by

Shri Chairman

Shri Secretary

Shri M. C. Member

In pursuance of the Managing Committee's resolution dated...

For and on behalf of the Industrial Cooperative Society

IN THE PRESENCE OF:—

WITNESSES: (1)

(2)

Name and Address

Signature

Sealed and signed by Shri... Director of Industries and Mines, Government of Goa, Daman and Diu for and on behalf of the President of India.

AGREEMENT FOR MATCHING SHARE CAPITAL CONTRIBUTION TO INDUSTRIAL COOPERATIVE SOCIETIES

THIS AGREEMENT made this the... day of... one thousand nine hundred and sixty-nine BETWEEN... a society registered under the Maharashtra Cooperative Societies Act, 1960 as extended to the Union territory of Goa, Daman and Diu and having its registered office at... (hereinafter referred to as the «Society», which expression shall unless the context otherwise provides include its successors-in-interest) of the one part and the President of India (hereinafter referred to as the «Government», which expression shall unless the context otherwise provide include his successors-in-office and assigns) of the other part;

WHEREAS the society is absolutely seized and possessed or otherwise entitled to all the assets etc., acquired out of Government share capital contribution, free from all encumbrances;

AND WHEREAS the society under the terms and conditions laid down by the Government pertaining to the scheme of financial assistance to Industrial Cooperative Societies in the matter of Government share capital contribution had applied to the Government for share capital contribution of Rs. ... (Rupees...);

AND WHEREAS the Government vide its order No... dated... has sanctioned the share capital contribution of Rs. ... (Rupees...) and paid the same on or before the execution of these presents to the society (the receipt whereof by the society is hereby acknowledged) and for the aforesaid consideration the society hereby undertakes to adhere to and comply with the following terms and conditions including the ones indicated in the aforesaid Government Order (a copy whereof is enclosed hereto and shall form an integral part of this Agreement):—

1) The Society shall adopt a bye-law making the share capital non-refundable for a period of fifteen years from the date of the Government contribution to the share capital. If, however, any member of the society desires to resign the membership on the grounds which in the opinion of the Registrar of Cooperative Societies, Panaji, are genuine or if the member dies without leaving any heir who can become member of the society, the society may refund the share capital amount of such member with the prior approval in writing of the Registrar, Cooperative Societies, Panaji.

2) The Society shall return the amount contributed towards its share capital by the Government, namely, Rs. ... (Rupees...) as early as possible and in any case within a period of fifteen years from the date of such contribution. The payment shall be in lump sum.

3) For facilitating the timely return of Government share capital contribution within fifteen years, the society shall increase every year its share capital by 1/15 of the amount of the share capital contribution either by collecting additional share capital from its members or by enrolling more members so that at the end of fifteen years the society shall be able to repay the Government contribution. The amount so collected should be credited to the Government Share Capital Contribution Fund of the society.

4) In case, in any year, due to any reason the society is not able to collect the amount by way of additional share capital, it shall set aside the necessary amount from out of its net profits of that year after carrying the necessary percentage to the Statutory Reserve Fund and credit such amount to a fund called Government Share Capital Redemption Fund.

5) In case for one reason or the other in any year the society does not make profit, it shall make up the deficit by collecting more share capital or by setting aside a larger percentage out of its net profits after carrying the necessary Reserve Fund in subsequent years.

6) The amount standing to the credit of the Government Share Contribution Fund should not be utilised in the business of the society but shall be deposited either as a fixed deposit with the Central Financing Agency or shall be invested in Government loans and securities in consultation with the Registrar, Cooperative Societies, Panaji and the Director of Industries, Government of Goa, Daman and Diu, Panaji.

7) The Society shall appoint its Manager in consultation with the Registrar, Cooperative Societies, Panaji and shall not punish him or dismiss him without his prior permission.

8) The Society has passed a resolution accepting the terms and conditions as stipulated hereinunder. A copy thereof is annexed hereto and shall form part of this agreement. The Society shall, if so required, pass a resolution accepting the other terms and conditions as may be prescribed by the Government from time to time.

9) The Society shall not issue any debentures except with the previous sanction in writing of the Government.

10) The Society shall amend its bye-laws, if necessary, so as to give effect to the terms and conditions before utilizing Government contribution.

11) In case the society is unable to undertake the first phased programme within a period of two years from the date of sanction of the share capital contribution by Government due to genuine difficulties, the Society shall pay to the Government interest at such rates not exceeding 12% per annum, as may be fixed by the Government on the amount of share capital contribution left unutilised.

12) The execution of the project should be undertaken by the Society only after technical approval in writing of the Government of India is conveyed.

13) In the event of any question, dispute or difference arising out of or under or in connection with the conditions hereinbefore contained or touching or concerning the meaning,

operation or effect thereof or of any matter contained therein or as to the rights, duties or liabilities of the parties hereto respectively or otherwise have some in connection with this agreement, the same shall be referred to the sole arbitration of a person to be nominated by the Lieutenant Governor of Goa, Daman and Diu. It shall be no objection if such a person is a Government servant or had at any time expressed any opinion on the said question, dispute or difference. The award of the arbitration shall be final on the parties. The provisions of the Indian Arbitration Act, 1940 for the time being in force, shall apply to such proceedings.

In witness whereof the parties hereto have signed this agreement on... day of...

Witness

Signature

Signature of the authorised representative of the...

By order and in the name of the Administrator of Goa, Daman and Diu.

V. R. Vaze, Under Secretary, Industries and Labour Department.

Panaji, 6th September, 1969.